



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.bpu.state.nj.us](http://www.bpu.state.nj.us)**

IN THE MATTER OF THE PETITION OF )  
DATANET COMMUNICATIONS GROUP, INC. )  
AND NEW JERSEY DATANET TELECOM, )  
LLC FOR APPROVAL OF FINANCING )

TELECOMMUNICATIONS

ORDER

DOCKET NO. TF06010005

(SERVICE LIST ATTACHED)

BY THE BOARD:

On December 30, 2005, DataNet Communications Group, Inc. ("DCG") and New Jersey DataNet Telecom, LLC ("New Jersey DataNet") (collectively "Petitioners"), filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU"), pursuant to N.J.S.A. 48:3-7, N.J.S.A. 48:3-9 and N.J.A.C. 14:1-5.9 seeking authority to execute certain financial instruments described below. Petitioners request confidential treatment of the financing terms and corporate financial information contained in the body of their Petition and in Exhibit A and Exhibit B of their Petition. Pursuant to the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., the Petitioners have submitted the foregoing information under seal and have included a sworn affidavit with substantiation for confidential treatment in order to limit the availability of alleged proprietary information.

New Jersey DataNet is a Delaware limited liability company and is authorized to provide local exchange telecommunications throughout the State of New Jersey. New Jersey DataNet states that it has no revenue and has not installed any network facilities in the State. New Jersey DataNet is a wholly-owned subsidiary of DCG, a privately held Delaware corporation.

Petitioners seek approval to enter into a loan transaction whereby DCG will obtain a revolving line of credit until December 31, 2007, after which time the line of credit will convert to a term loan of sixty (60) months.<sup>1</sup> As collateral for the loan, DCG and its subsidiaries, including New Jersey DataNet, will act, jointly and severally, as guarantors of the loan, pledging ownership interests and security interests in their respective assets and other property.

Petitioners assert that the funding provided by the proposed loan transaction will be used to fund corporate distributions and/or dividends and provide funding for future expansion of the fiber networks of DCG and its subsidiaries. Petitioners further state that the loan will support

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<sup>1</sup> Petitioners have requested confidential treatment of the principal amount of the loan.

DCG and its subsidiaries, including New Jersey DataNet, in their ability to attract capital and to provide competitive telecommunications services.

On February 1, 2006, the Division of Ratepayer Advocate submitted a letter to the Board recommending that the Board approve the petition.

The Board, after investigation, having considered the record and exhibits submitted in this proceeding, and finding that the transactions are in accordance with law and are not contrary to the public interest, and approving the purposes thereof, HEREBY ORDERS that DataNet Communications Group, Inc. and New Jersey DataNet Telecom, LLC are HEREBY AUTHORIZED to enter into the loan transaction described herein and to execute all necessary documents related thereto. Petitioners are also HEREBY AUTHORIZED to pledge their ownership interests and grant security interests in their assets and other property, in connection with the consummation of and performance under the loan documents.

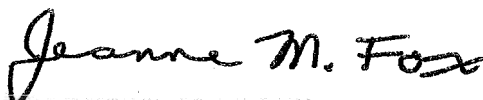
This order is subject to the following provisions

1. Petitioners shall notify the Board, within five business days, of any material changes in the terms of the loan, and shall provide complete details of such transactions including any anticipated effects upon service in New Jersey.
2. Petitioners shall notify the Board of any material default on the terms of the loan within five business days of such occurrence.
3. Petitioners must have positive retained earnings to pay dividends.
4. This Order shall not affect or in any way limit the exercise of the authority of the Board or of the State in any future petition with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or any other matters affecting New Jersey DataNet Telecom, LLC.
5. This order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of tangible or intangible assets now owned or hereafter to be owned by the Petitioners.

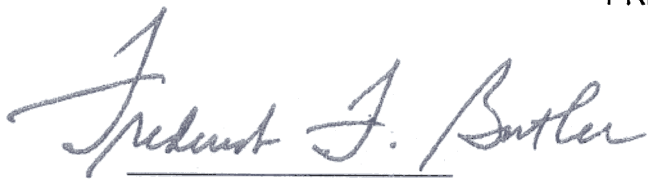
6. Notwithstanding anything to the contrary in the documents executed pursuant to the financing transactions or other supporting documents approved herein, a default or assignment under such transactions or documents does not constitute automatic transfer of Petitioners' assets. Board approval must be received pursuant to N.J.S.A. 48:1-1 et seq., where applicable, prior to any transfer.

DATED: 3/22/06

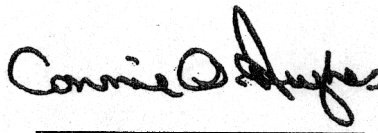
BOARD OF PUBLIC UTILITIES  
BY:



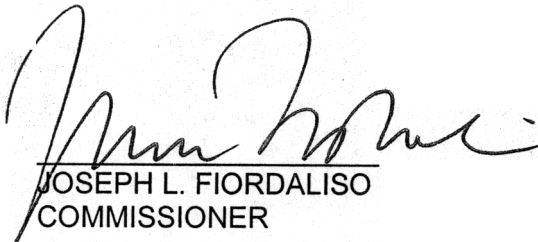
JEANNE M. FOX  
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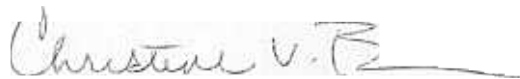
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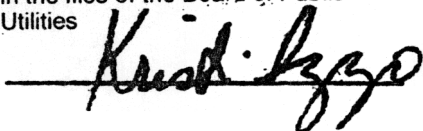
CHRISTINE V. BATOR  
COMMISSIONER

ATTEST:



KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public  
Utilities



## SERVICE LIST

**In the Matter of the Petition of DataNet Communications Group, Inc. and New Jersey  
DataNet Telecom, LLC for Approval of Financing**

**Docket No. TF06010005**

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